

ADDENDUM NO. 1

INVITATION FOR BIDS SFRAN911157601

MODESTO FEDERAL BUILDING AND UNITED STATES POST OFFICE
1125 "I" STREET
MODESTO, STANISLAUS COUNTY, CALIFORNIA 95354

This Addendum provides the Purchaser with the option to close the transaction over a one hundred twenty days or twelve month period.

General Terms of Sale, Section 15, "Tender of Payment and Delivery of Instrument of Conveyance," Page 6.

This Section is deleted in its entirety and replaced with the following:

The closing date with an ALL-CASH sale is one hundred twenty (120) calendar days after acceptance of the bid. Upon agreement by the Government, the Purchaser may close the transaction prior to the one hundred twenty (120) calendar-day period.

Purchaser may elect a TIMED-CLOSING option. Under this option Purchaser must close the transaction no later than twelve (12) months after bid acceptance and upon making quarterly payments of principal and interest, in accordance with Instructions To Bidders: Section 3, "Bids and Terms of Sale", and Section 16, "Bid Deposit and Transaction Closing". Under the TIMED-CLOSING option, a Revocable License for Non-federal Use of Real Property ("License") shall be executed by the Government and the Purchaser following bid acceptance. The License will provide the Purchaser with access to the Property for the purpose of conducting site investigation and planning activities subject to terms and conditions acceptable to the Federal Government.

Prior to closing, the Purchaser or Purchaser's agent may open an escrow account with an independent, unaffiliated escrow company ("Escrow Holder") to handle the closing. The Government does not mandate use of an escrow company. All closing costs, including escrow fees and document handling expenses, shall be borne solely by the Purchaser. As part of the closing the Government will provide escrow instructions to the Escrow Holder regarding the recording, disposition of proceeds and related matters.

On the closing date, the Purchaser shall tender to the Government or to the Escrow Holder the balance of the purchase price in the form of a cashier's check, certified check, or electronic wire transfer. Upon confirmation that Purchaser's

wire transferred funds have been received by the Government or that Purchaser's funds by check have been confirmed to the satisfaction of the Government, the Government shall deliver to the Purchaser the instrument, or instruments, of conveyance. Possession of the Property will be assumed by the Purchaser at the time of closing under the ALL-CASH option, and upon execution of the License under the TIMED-CLOSING option. The Government reserves the right to extend the closing date for a reasonable amount of time.

Instructions To Bidders, Section 3, "Bids and Terms of Sale," Page 8.

This Section is deleted in its entirety and replaced with the following:

Bids to purchase may be ALL-CASH, wherein the Purchaser shall arrange their own financing and pay the balance in full by the closing date; or with the TIMED-CLOSING option, the Purchaser shall make four (4) equal quarterly payments, plus interest accrued on the unpaid balance at the rate of three percent (3%) compounded annually. Accrued interest shall be paid with each quarterly payment.

Upon notification of bid acceptance and within ten (10) business days, the Purchaser must choose the ALL-CASH or TIMED-CLOSING option and provide the required additional funds to increase the Registration deposit (See Instructions To Bidders, Section 16 below); once selected, the Purchaser cannot change the agreed upon closing option.

In the event the Purchaser selects the TIMED-CLOSING option, the Purchaser shall procure and maintain insurance, at Purchaser's expense, during the one-year term commencing as of the date of the License.

Fire, extended coverage, and vandalism and malicious mischief insurance shall be maintained on the real and personal property covered by the bid, and such other property insurance as required to protect the Government's interest, and shall be in such amounts which, after taking into account the coinsurance provision, if any, of the insurance policies, will protect the unpaid indebtedness. All property insurance policies shall be written in the name of the bidder, but shall name United States General Services Administration, as loss payee for the real and personal property.

Insurance required by the Government shall be from companies acceptable to the Government and shall include such terms and provisions as may be required to provide coverage satisfactory to the Government. The original insurance policies or binders of insurance for the required insurance shall be provided as of the date of issuance of the License and all insurance policies or binders shall include a thirty (30) calendar day notice of cancellation to GSA.

Information concerning insurance requirements will be furnished by the Office of Real Property Utilization and Disposal.

Instructions To Bidders, Section 16, "Ten Percent Bid Deposit and Transaction Closing," Page 12.

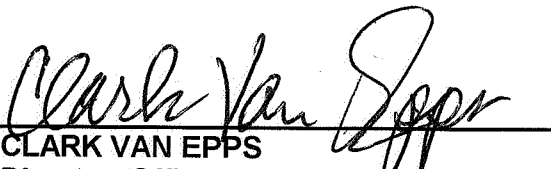
This Section is deleted in its entirety and replaced with the following:

With an ALL-CASH sale, within ten (10) business days of acceptance of a bid by the Government, the Purchaser agrees to deposit an additional amount, if required, in the form of a certified check or cashier's check, which when added to the Registration Deposit, will equal at least ten percent (10%) of the total bid. Failure to provide these funds will result in a default and forfeiture of the Registration Deposit.

With a TIMED-CLOSING, the Purchaser agrees to deposit an additional amount, if required, within ten (10) business days of acceptance of a bid by the Government, which when added to the Registration Deposit, will equal at least twenty percent (20%) of the amount bid. Failure to provide these funds will result in a default and forfeiture of the Registration Deposit. Within ten (10) calendar days of the Government's receipt of the increased Registration Deposit, the Government and the Purchaser shall execute a License.

Upon acceptance of a bid, the Registration deposit shall be applied towards payment of the Purchaser's obligation to the Government. The full balance of the purchase price in the form of a certified check, cashier's check or electronic wire transfer is payable within one hundred twenty (120) calendar days after acceptance of a bid for an ALL-CASH sale, or within twelve (12) months after acceptance of the TIMED-CLOSING. There is no penalty for pre-payment under the TIMED-CLOSING and the interest due will be pro-rated accordingly. At the time of closing, all monies paid by the Purchaser will be credited, without interest, toward the total purchase price.

Except as provided herein, all terms and conditions of Invitation for Bids SFRAN911157601 remain unchanged.


CLARK VAN EPPS
Director, Office of Real Property Utilization and Disposal (9PZ)
Public Buildings Service
U.S. General Services Administration


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